

STATE OF ALASKA

DEPT. OF HEALTH AND SOCIAL SERVICES
DIVISION OF PUBLIC ASSISTANCE

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FAMILY NUTRITION PROGRAMS
-- JUNEAU

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Reply to: **All Local Agencies Memorandum No-12-06**

Date: March 8, 2012

TO: X-LA WIC Coordinators
X-Satellites

FROM: Kathleen Wayne
State WIC Manager

SUBJECT: **WIC Program Integrity**

Information- X

Policy-
Action- x

Routine (email and hard copy) - X
Urgent (fax and hard copy)-

Attached are WIC program integrity items to be shared with WIC staff, vendors, and clients regarding the unlawful use of WIC program benefits.

WIC Program Integrity

Question: How do you ensure program integrity in the WIC Program?

Response:

There are a number of provisions in place to ensure integrity in both the WIC participant and vendor areas.

Participants/Applicants:

- All applicants must:
 - provide written documentation of income or proof of SNAP, TANF or Medicaid participation;
 - provide proof of residency and identity to prevent dual participation; and
 - be physically present during the WIC certification assessment, except in certain situations such as persons with disabilities or infants or children of working parents whose working status presents a barrier to bring the infant or child to the WIC clinic.
- Please note that the improper payment rate associated with certification in the WIC program is slightly below 3%.
- All State agencies must establish procedures designed to control participant violations, and sanctions for participant violations. Participant sanctions may include disqualification from the Program for a period of up to one year.
- Participant violation means "any intentional action of a participant, parent or caretaker of an infant or child participant, or proxy that violates Federal or State statutes, regulations, policies, or procedures governing the Program."
- Participant violations include intentionally making false or misleading statements or intentionally misrepresenting, concealing, or withholding facts to obtain benefits; exchanging cash-value vouchers, food instruments or supplemental foods for cash, credit, non-food items, or unauthorized food items; selling WIC-obtained foods; and dual participation.
- If the State agency determines that program benefits have been obtained or disposed of improperly as the result of a participant violation, the State agency must establish a claim against the participant for the full value of such benefits.
- When appropriate, the State agency must refer participants (and vendors) who violate program requirements to Federal, State, or local authorities for prosecution under applicable statutes.

Vendors

- WIC improper payments for FY 2010 amounted to \$44.0 million, constituting 1.1 percent of the \$4.1 billion in WIC food outlays. This is less than the FY 2009 figure of \$49.8 million which constituted about 1.2 percent of total WIC food outlays.

Sanctions:

- WIC has mandatory sanctions for program violations which range from 1 year to permanent disqualification.
- The most serious WIC violations result in disqualification from SNAP as well as the WIC Program.
- A SNAP disqualification will result in a WIC disqualification for the same period of time as the SNAP disqualification.
- State agencies may issue a civil money penalty in lieu of disqualification to maintain participant access in certain situations.

Monitoring:

- WIC State agencies must:
 1. conduct ***routine*** monitoring visits on a minimum of 5% of its vendors annually to survey the types and levels of vendor errors and abuse.
 2. identify high-risk vendors at least once a year using criteria developed by FNS and/or other statistically-based criteria developed by the State agency.
 3. conduct ***compliance investigations*** on a minimum of 5% of the number of vendors authorized as of October 1 each year. In addition, State agencies must conduct compliance investigations on its high-risk vendors up to the 5% minimum. If high-risk vendors are greater than 5%, then State agencies must prioritize them based on the greatest potential for noncompliance and/or loss.

Selling of WIC Items on Social Media:

- Any form of participant fraud and abuse, such as using WIC benefits in any way other than the method and purpose for which they were intended, violates Federal WIC regulations and constitutes a participant violation.
- Making a verbal offer of sale to another individual or posting WIC foods, benefits and/or EBT cards for sale in print or online, or allowing someone else to do so, is evidence that the participant committed a participant violation.
- FNS expects all State agencies to sanction and issue claims against participants for all program violations.
- FNS has taken several actions to reinforce program integrity:
 1. Issued a policy memorandum clarifying selling or offering to sell WIC benefits in print or online is a program violation that can result in disqualification and a claim against the individual.
 2. Wrote to State Health Commissioners reminding them about the importance of integrity in WIC.
 3. Wrote to social media sites seeking their cooperation in putting warnings up about the inappropriate sale of infant formula received through the WIC Program.